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DEPARTMENT FOR EAP/MLS MHIGGINS OSD/ISA FOR BGEN ALLEN PACOM FOR FPA HUSO

E.O. 12958: DECL: 01/27/2016 TAGS: <u>PGOV</u> <u>PREL</u> <u>MARR</u> <u>TH</u>

SUBJECT: F-16: AMBASSADOR RAISES WITH PM THAKSIN

REF: BANGKOK 500 AND PREVIOUS

Classified By: Ambassador Ralph L. Boyce. Reason 1.4 (a and d)

11. (C) Summary. Both Prime Minister Thaksin and his Chief Policy Advisor indicated to the Ambassador on January 26 that the RTG is leaning towards purchasing mid-life upgrades (MLUs) from Lockheed Martin for its F-16 fighter fleet as well as procuring some SU-30 fighter aircraft, probably through barter trade, as a way to improve economic links with Russia. The Ambassador reminded the PM that, in his meetings with the President and Secretary Rumsfeld in September, Thaksin left the distinct impression that he would not/not procure Russian aircraft. The Ambassador told Thaksin that acquiring SU-30s could make it more difficult for the United States to release sensitive technologies to Thailand that might be compromised and suggested that it might affect Thaksin's relationship with senior U.S. officials, especially in light of the implied assurances he provided earlier. End Summary.

KEY THAI OFFICIAL SUGGESTS THAILAND HOPES TO SATISFY BOTH THE UNITED STATES AND RUSSIA

- 12. (C) At a January 26 reception, the Ambassador pulled aside Pansak Vinyaratn, Chief Policy Advisor to the Prime Minister, to express his concern -- based on recent articles in the Thai press and discussions (reftel) with senior Thai military officials -- that suggested Thailand planned to purchase MLUs from Lockheed Martin as well as conclude a barter deal with Russia for SU-30s. While expressing satisfaction over the possible MLU purchase, the Ambassador reminded Pansak that Thaksin had left the impression with the President and Secretary Rumsfeld that Thailand would not/not procure Russian planes.
- ¶3. (C) Pansak as much as confirmed our suspicions by saying "don't worry, the Russian planes would be kept completely separated from our American aircraft." The Ambassador seized on Pansak's remarks, telling him that a Russian procurement would create practical problems that could jeopardize future transfers of sensitive U.S. technologies to Thailand, hurt U.S.-Thai interoperability, and possibly affect Thailand's ability to eventually procure the Joint Strike Fighter.

THAKSIN SEES THE PROCUREMENT SOLELY IN POLITICAL TERMS

14. (C) Later that day, at the Mahidol Awards Ceremony

hosted by the King, the Ambassador pursued the issue at length with the Prime Minister, suggesting that such a procurement could become a bilateral problem. The Ambassador told Thaksin that the Prime Minister had left senior U.S. officials, including the President himself, with the clear impression that Thailand would not procure Russian aircraft. The Ambassador reminded Thaksin that, during their September meeting, the President had strongly encouraged Thaksin not only to buy from Lockheed Martin but also not to buy any Russian planes. Later, during his meeting with Secretary Rumsfeld, Thaksin had commented on what an effective presentation the President had made and left a clear impression that he would not procure Russian planes. The Ambassador suggested that, in light of those implied assurances, any acquisition of SU-30s could hurt Thaksin's standing with the White House and the Pentagon.

- 15. (C) Thaksin unconvincingly responded that "I never said yes or no to the President," and explained that he was simply hoping to open the Russian market to Thai goods.

 Nonetheless, it was clear by his expression and manner that Thaksin understood the seriousness of this issue.
- 16. (C) The Ambassador explained that fighter aircraft purchases by treaty allies are a "hot button" issue for us at all times and suggested that Thaksin find other ways to improve his relationship with Russia that would not come at the expense of his relationship with the United States.

COMMENT

17. (C) It is clear that Thaksin has made a political promise to President Putin to procure Russian aircraft. It is unclear whether he can recast his commitment to Moscow --perhaps by purchasing other Russian equipment -- in a way that will not affect the fighter sale. We are also uncertain how large a potential procurement of SU-30s is being contemplated, but every indication is that it will be much smaller than the likely deal with Lockheed Martin. RTAF sources suggest they might procure as few as six aircraft. Post seeks instructions from the Department on next steps and whether it would be possible for a senior U.S. official to either call or send a letter to Thaksin and reinforce the points the Ambassador made.